

## **Medicare supplemental markets: view from the field**

**ISSUE:** In September, MedPAC staff provided background information from site visits to Atlanta, Georgia; Long Island, New York; Minneapolis/St Paul, Minnesota; San Diego, California, and the state of Nebraska. The visits were designed to provide detailed information on the insurance options available to Medicare beneficiaries, and to help identify factors that have contributed to, or posed barriers to, the effective functioning of markets for different sorts of insurance products for different beneficiary populations. A draft summary of the site visit report is attached.

### **KEY POINTS:**

The markets for Medicare supplemental products are shaped by an array of inter-related factors that are not within the direct domain of Medicare policy, including local and regional employment and economic circumstances, the structure of local delivery systems, state law and regulations governing health insurance and health providers. Consequently, while Medicare is a national program with standard benefits, the structure of local markets for supplemental products creates very different sets of options for beneficiaries seeking to supplement basic Medicare coverage. The site visits provide useful insights into a range of issues surrounding the introduction of new or re-designed supplemental products, the role of group versus individual insurance in meeting beneficiaries' needs, the role of federal and state regulation, and consumer education/protection that we plan to develop for the Commission's consideration.

**ACTION:** A full report on the site visits is in progress. Staff would like Commissioners to comment on the summary materials and to provide input regarding the themes, issues and focus they would like to see as we develop the final report and subsequent research and analysis.

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